

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT
BRITAIN
AND NORTHERN IRELAND
REPRESENTED BY THE MINISTRY OF DEFENCE
AND
THE GOVERNMENT OF THE UNITED STATES OF
AMERICA
REPRESENTED BY THE DEPARTMENT OF THE ARMY
COVERING ARMOUR TECHNOLOGY

UK RESTRICTED/US FOUO

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UK RESTRICTED/US FOUO

SECTION 1

INTRODUCTION

1.1 Background

1.1.1 The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter called the UK Government) and the Government of the United States of America (hereinafter called the US Government) concluded a Memorandum of Understanding (MOU) on 15 December 1972 (hereinafter called the 1972 MOU) covering the exchange of special armour Technical Information regarding Burlington on the part of the UK and regarding US national work in the field of special armour which corresponds to the UK work on Burlington (hereinafter called US Special Armour) on the part of the US.

1.1.2 The scope of the 1972 MOU was limited to an exchange of Technical Information regarding Burlington on the part of the UK Government and regarding US Special Armour on the part of the US Government and did not specifically cover other kinds of armour technology.

1.1.3 In 1978, both the US and the UK Governments desired to continue and expand the exchange of Armoured Fighting Vehicles armour protection technology information. The exchange was intended to provide an update on the national progress on Burlington/US Special Armour and to expand into new technologies as described in the Annexes of that MOU. In particular, the UK Government desired to obtain from the US Government Technical Information on US national work in the field of advanced special armour technology, which the US Government declared to be based on principles different from Burlington and to be a major step advance on the latter. The US Government desired to obtain from the UK Government Technical Information on UK advances in Burlington.

1.1.4 In accordance with the spirit of the exchange of letters between Prime Minister Callaghan (dated 8 August 1978) and President Carter (dated 2 October 1978) and the Heads of Agreement (dated 24 April 1979) reached between the UK Chief of Defence Procurement and the US Under Secretary of Defence for Research and Engineering and in consideration of the willingness of the US and UK Governments to release this further information to each other, each Government approved the Memorandum of Understanding on Armour Technology of 18 September 1979 and the Annexes thereto (hereinafter referred to as the 1979 MOU).

1.2 The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Secretary of Defense of the United States of America now desire to pursue armour technology information exchanges and possible cooperation through a revision of the 1979 MOU.

1.3 Consequently, the purpose of this MOU is to establish arrangements whereby the UK and US Governments will make reciprocal exchanges of research and development information of sufficient detail to enable them to identify areas of possible cooperation. Detailed provisions for any exchanges of Specific Armour Designs

and any specific cooperative activities to be undertaken will be established by Supplements to this MOU.

1.4 Nothing in this MOU will restrict the right of either Government, with regard to information clearly of its own origin, to cooperate with other Governments or to enter into agreements or arrangements to exchange such information. Moreover, nothing in this MOU requires either Government to disclose to the other any armour technology which is either received from, or jointly developed with, another country or armour technology which is developed or acquired by either Government as a part of a cooperative program with another country, for which such disclosure is prohibited.

SECTION II

REFERENCE AGREEMENTS

- 2.1 The exchange of information covered by this MOU will be carried out within the framework of the following agreements and understandings.
- 2.1.1 Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America to Facilitate the Exchange of Patents and Technical Information for Defence Purposes, dated 19 January 1953.
- 2.1.2 The 1961 General Security Agreement between the Government of the United States and the Government of the United Kingdom as amended and including the Industrial Security Annex thereto.
- 2.1.3 NATO Agreement on Communication of Technical Information for Defence Purposes, dated October 1970, and its implementing procedures.
- 2.1.4 The 1985 US/UK Memorandum relating to Principles Governing Cooperation in Research and Development, Production, Procurement and Logistic Support of Defense Equipment.
- 2.2 Implementation of this MOU by each Government will be subject to compliance with its controlling laws and regulations.

SECTION III

DEFINITIONS

3.1 **General.** For the purposes of this MOU, the following definitions will apply and will take precedence over definitions in any of the agreements referenced in Section II of this MOU.

3.2 **Defence Purposes.** Defence purposes means the manufacture, operation, use, employment, storage, repair, maintenance, transportation and logistic support of an item or process in any part of the world by or for the armed forces of either of the two Governments.

3.3 **Country of Origin** The Country of Origin is the Government which, independent of the other Government, is the source of particular Technical Information, however derived.

3.4 **Intellectual Property.** Intellectual Property as used herein is any product of the human mind which is capable of being protected under law, and which is owned by Governments or private Third Parties. This includes, but is not limited to, Technical Information subject to limited rights, patents, trademarks, trade secrets and copyrights.

3.5 **Technical Information.** Technical Information means information regardless of form or characteristic of a scientific or technical nature, whether recorded or unrecorded and whether or not patentable or copyrighted. The information may be graphic or pictorial delineations in media such as drawings or photographs; text in specifications or related performance or design type documents; or computer printouts. Technical Information includes but is not limited to, documentation on research, experimental, developmental, test, engineering and manufacturing data; such documentation can take the form of engineering drawings and associated component lists, specifications, designs, standards, process sheets, manuals, technical reports, catalogue items identifications and related information, computer programmes, computer software, computer data bases, and computer software documentation and any other relevant technical data in whatever form presented.

3.6 **Basic Technology.** Basic Technology comprises the terminal ballistics, both theoretical and experimental, describing phenomena and consequences of interactions between projectiles/warheads, armour, and laboratory armour test targets, and the analytical tools used in designing, testing, and evaluating armour performance. Basic Technical Information is a subset of this category of information.

3.7 **Basic Technical Information.** Basic Technical Information comprises all Basic Technology other than that which would on its own allow the recipient to reproduce a Specific Armour Design or constituent element thereof.

3.8 **Specific Armour Designs.** Specific Armour Designs are engineering drawings and material specifications corresponding to armours derived from Basic Technology. Specific designs are developed to meet a set of protection requirements, i.e. armoured vehicles, and other vehicles and equipment employing such armour to counter a given threat.

3.9 Technical Data Packages. Technical Data Packages (TDPs) encompass all Technical Information necessary and sufficiently complete to enable manufacture on a full production basis of equipment and repair parts. TDPs may include but are not limited to plans, production designs, drawings, specifications, standards, purchase descriptions, performance requirements, quality assurance provisions, packaging data, test procedures, operation sheets and machine instructions sheets, machine loading control data, treatment data, data relating to tools and jigs and fixtures, product or process or assembly data, plant layout data, machine tools and work station data.

3.10 Laboratory Armour Test Target. Laboratory Armour Test Target is a ballistic layup of armour elements to a given recipe.

3.11 Black Box Demonstration. Black Box Demonstration is a demonstration in which the technologies or designs involved are not disclosed to the observers.

3.12 Third Party. A third party is any party other than the UK Government and the US Government and their subordinate governmental organizations. Any company under contract with either Government is a Third Party.

SECTION IV

OBJECTIVES AND SCOPE

4.1 In furtherance of the common interests of the US and UK Governments in strengthening the capacity of NATO and their military defenses, the purpose of this MOU is to set forth arrangements for the continuing exchange of information and possible future cooperation in the field of armour technology. The scope of these exchanges will encompass the entire field of armour technology for protection of fighting vehicles.

4.2 This MOU provides the framework to exchange, on a reciprocal basis, Basic Technical Information and to conduct "Black Box" demonstrations on Specific Armour Designs. Further exchanges of Basic Technology, Specific Armour Designs, and cooperation on specific projects within the scope of this MOU will require Supplements to this MOU.

4.3 The Governments have decided on a management structure consisting of a Joint Steering Committee, an Executive Working Group, and such other technical committees as the Executive Working Group decides are necessary. The Joint Steering Committee will consist of one representative selected by each Government. The Executive Working Group will be composed of representatives from each Government designated by the Joint Steering Committee. The Executive Working Group will meet at least once each year to discuss information exchanges and other activities.

4.4 All information exchanges under this MOU must be reciprocal during each review period of the MOU provided for in Paragraph 11.2. At the end of each review period, the Governments will separately assess the value of the information they have given and received during that period. Value may be measured in terms of levels of technical activity or technical achievement. Value will not be measured simply by the amount of money expended or the sheer volume of information exchanged. Upon completion of this assessment, the Governments will determine whether the values of the exchanges are equitable.

4.5 In order to facilitate the determination of reciprocity, the Governments will provide each other annual reports regarding information exchanged that year.

4.6 If one Government determines at the end of a review period that exchanges have not been equitable, it may begin withdrawal proceedings as described in Paragraph 11.4.

4.7 The US and UK Governments will, as soon as possible, but not later than 90 days after the effective date of this MOU, formally establish such organisations and detailed Operating Procedures as are necessary to implement the exchange of Technical Information pursuant to this MOU.

4.8 Subject to Paragraph 9.1, the provisions relating to the loan of material or equipment and to demonstrations and presentations will be established between the two Governments on a case-by-case basis. Each Government will use its best endeavours to facilitate such activities.

SECTION V

DISCLOSURE AND RIGHTS OF USE OF TECHNICAL INFORMATION

5.1 Exchange of Information. To the extent that it has the right to do so, each Government will disclose to the other, on a reciprocal basis in accordance with Paragraph 4.4, all Basic Technical Information within the scope of this MOU.

5.2 Acquisition of Information Owned by Third Parties. Each Government will use its best endeavours to acquire and retain sufficient rights to Basic Technical Information to enable it to make the disclosures described in Paragraph 5.1

5.3 Rights of Use. Subject to the rights of Third Parties, each Government will have the right free of charge to use, or have used by its national contractors under contract to perform work within the scope of this MOU, Basic Technical Information supplied pursuant to Paragraph 5.1 above, for the purposes of study, evaluation, research and development.

5.4 Third Party Transfers. Neither Government or its Contractors will transfer to other Third Parties Basic Technical Information received pursuant to Paragraph 5.1 above without first obtaining the written permission of the originating Government, and if the information is owned by a Third Party, the owner of the information. In addition, nothing in this MOU prohibits either Government from transferring to Third Parties armour Technical Information, including Basic Technology, Technical Data Packages or Specific Armour Designs, for which it is the Country of Origin, without notifying the other Government. Disputes regarding Country of Origin will be resolved in accordance with Paragraph 6.3 of this MOU and with the Operating Procedures.

SECTION VI

PROTECTION OF RIGHTS IN TECHNICAL INFORMATION

6.1 All Technical Information disclosed under this MOU will be protected as follows:

6.1.1 Technical Information will be marked with or be accompanied by a legend securely attached in a conspicuous place, stating clearly:

- a. that the Technical Information is subject to intellectual property rights;
- b. that the Technical Information is communicated in confidence;
- c. any specific purpose for which the Technical Information is communicated;
- d. identification of the ownership of the Technical Information;
- e. identification of the Country of Origin;
- f. conditions under which and when Technical Information or specific parts thereof may be published or disclosed to or used by other parties, e.g., with written consent of the owner.

6.1.2 Where the use of such legend is not practicable, as, for example, when Technical Information is communicated orally or visually, all the information which would otherwise have been provided in a legend must be communicated at the same time as the Technical Information is communicated to any recipients orally or visually or in some other effective manner. Any recipient accepting Technical Information under these circumstances must fully identify it and the conditions under which it was communicated in an acknowledgement which is satisfactory to the transmitter.

6.2 If, within the terms of this MOU, one Government transfers to a Third Party such Technical Information, the transferring Government will ensure that the above described legend and any other conditions relating to the use and disclosure of the said Technical Information are also passed on to the Third Party. The transferring Government will also obtain the written agreement of the Third Party not to use or disclose such Technical Information except within the stated limitations.

6.3 The basic principles for determining Country of Origin are as follows:

6.3.1 Whenever possible, each Government will describe to the other prior to the transfer of Basic Technical Information the general characteristics of any innovative technology.

6.3.2 The receiving Government may then counter-claim Country of Origin for the same technology in accordance with the Operating Procedures.

6.3.3 No transfer beyond Basic Technical Information will occur until Country of Origin is resolved.

6.3.4 In the event that both Governments separately claim Country of Origin for the same technology and recognize each others claims, further exchanges of that technology may take place if agreed by the Governments.

6.3.5 If the Governments cannot ultimately come to any resolution on the issue of country of origin of a particular technology, then no further transfer of that technology will occur.

6.3.6 In the event that a receiving Government ascertains that any part of the Technical Information communicated to it as being Government-owned or *industry-owned intellectual property*, was at the time of the communication, or at any time becomes available to the public, the receiving Government will notify the supplying Government of that fact as soon as possible.

6.4 A more detailed mechanism for deciding Country of Origin will be set forth in the Operating Procedures described in Paragraph 4.7. The Operating Procedures may specify a time limit for resolving the issue of Country of Origin.

SECTION VII

ACCESS TO ESTABLISHMENTS

Visits

7.1 All visiting personnel will be required to comply with security regulations of the host country. Any information disclosed or made available to visitors will be treated as if supplied to the Government sponsoring the visiting personnel, and will be subject to the above described regulations.

7.2 Requests for visits by personnel of one country to a facility of the other will be coordinated through normal channels, and will conform with the established visit procedures of the host country. Requests for visits will bear the name of this MOU.

7.3 Lists of personnel of each country required to visit, on a continuing basis, facilities of the other participant will be submitted through official channels in accordance with Recurring International Visit Procedures.

SECTION VIII

SECURITY

8.1 The handling and treatment of classified Technical Information, equipment and material exchanged or generated under this MOU and Supplements thereto will be subject to the security agreement identified in Paragraph 2.1.2, and to the other provisions of this MOU.

8.2 The supplying Government will determine the security classification to be applied to its equipment, materials and Technical Information. If any item contains or discloses identifiable classified information contributed by one of the Governments, the security classification of that item will not be lower than that of such identifiable classified information.

8.3 The classification, prescribed special handling controls, and restricted access for Technical Information identified by the respective Governments as Burlington /US Special Armour will continue in effect and in force under this agreement.

8.4 Certain highly classified Technical Information, equipment and material on advanced special armour technology, as determined by the supplying Government, will be subject to special handling and release procedures separate from those in paragraph 8.3 with restricted access as determined by the supplying Government.

8.5 In making use of the Technical Information provided, the receiving Government will maintain the security classification and degree of protection specified by the supplying Government. The receiving Government will not downgrade the classification of or declassify Technical Information of the supplying Government without the prior approval of the supplying Government.

8.6 Each Government will designate a central office to verify personnel clearances for access to Technical Information subject to special controls.

8.7 Technical Information classified and subject to the special controls by the respective Governments will not unilaterally be declassified nor removed from special controls except upon prior consultation between both Governments.

8.8 Protection against Disclosure

8.8.1 Technical Information provided by either Government to the other in confidence, and such Technical Information produced by either Government pursuant to this MOU requiring confidentiality, will either retain its original classification or be assigned a classification that will ensure a degree of protection against disclosure equivalent to that required by the other Government.

8.8.2 Each Government will take all lawful steps available to it to keep free from disclosure under any legislative provision without the consent of the other Government Technical Information exchanged in confidence under this MOU.

8.8.3 To assist in providing the desired protection, each Government will mark such information furnished to the other in confidence with a legend indicating

the country of origin, the security classification, the conditions of releases, that the information relates to this MOU and that it is furnished in confidence. This legend can be incorporated in the legend of Paragraph 6.1.1.

SECTION IX

FINANCE

9.1 Each Government will bear its own costs arising from this MOU, including the costs of assembling, reproducing and shipping information which it discloses pursuant to Paragraph 5.1. Each Government will, if requested by the supplying Government, bear the costs of demonstrations, presentations, and the temporary loan of equipment.

9.2 The supply by loan or other form of transfer of equipment or materials, and the supply of Technical Information necessary for the implementation of this MOU and its Supplements will, as far as possible in accordance with the legislation of the receiving country, be free of customs and excise duties, sales or other taxes. If customs or identifiable taxes are levied, they will be borne by the Government of the country where they are levied to the extent permitted by its laws.

9.3 All arrangements, actions and implementations under this MOU are subject to the availability of appropriated funds for such purpose which each Government will use its best endeavours to obtain as necessary. Each Government will notify the other in a timely manner of any problems encountered in obtaining funds required to implement this MOU.

SECTION X

DISPUTES AND CLAIMS

10.1 Disputes between the two Governments regarding the interpretation or implementation of this MOU will be resolved through consultation between the two Governments. Under no circumstances will such disputes be submitted to an international court or a Third Party for arbitration.

10.2 Claims for compensation arising from any failure on the part of either Government to observe conditions under which Technical Information is made available to it under this MOU will be handled in accordance with the agreement referenced at Paragraph 2.1.1.

10.3 Claims based upon failure of a contractor to either Government to observe the said conditions will, upon request of either Government, be the subject of discussions between the two Governments with the object of ensuring proper compensation to the injured owners of the information.

SECTION XI

DURATION, REVIEW AND TERMINATION

11.1 This MOU will come into effect on the date upon which the last signature has been made on behalf of the respective Governments, and will remain in effect for twelve years unless extended by mutual agreement or terminated under other provisions of this MOU.

11.2 The scope and other provisions of this MOU will be reviewed by the two Governments every three years, beginning on the effective date of this MOU.

11.3 The provisions concerning the use, safeguarding, security and release of Technical Information exchanged will remain in effect for each Government after termination, expiration or withdrawal.

11.4 If either Government considers it necessary for compelling reasons to withdraw from this MOU, the Joint Steering Committee will meet to discuss these reasons. At that time, they will decide whether to amend the MOU. If after discussion, one Government still wishes to withdraw, it will give notice to the other Government of its intent to withdraw. The withdrawing Government will continue its participation, financial or otherwise, until the expiration of a ninety (90) day period. Once the ninety (90) day period has expired, the MOU will be officially terminated.

11.5 Notwithstanding Paragraph 11.4, a Government may immediately suspend its participation, financial or otherwise, and will consult with the other Government, if it determines that the other Government has materially breached the MOU. In the absence of a resolution acceptable to the aggrieved Government within ninety (90) days, the aggrieved Government may at its discretion then withdraw from the MOU.

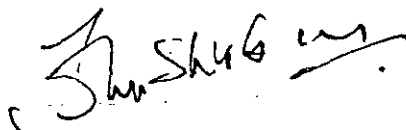
11.6 The 1979 MOU is terminated as of the effective date of this MOU. Technical Information supplied by either Government to the other prior to or under the 1979 MOU will continue to be subject to the provisions of that MOU as therein provided.

SECTION XII

EFFECTIVE DATE AND SIGNATURES

12.1 This Memorandum of Understanding covering Armour Technology will be effective from the date of the last signature.

12.2 It is signed in duplicate by the authorised representatives of the two Governments.



FOR THE GOVERNMENT
OF GREAT BRITAIN
AND NORTHERN IRELAND

Date: 9th March 1990

(GENERAL SIR JOHN STIBBON)



FOR THE GOVERNMENT
OF THE UNITED STATES
OF AMERICA

Date: 9 Mar 90

(LTG DONALD S. PIHL)